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[Click here for Interim Director of Health Services report dated February 23, 2010](#)

[Click here for Interim Director of Health Services report dated March 2, 2010](#)

[Click here for Interim Director of Health Services report dated March 9, 2010](#)

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[Click here for Interim Director of Health Services report dated March 23, 2010](#)

[Click here for Interim Director of Health Services report dated March 30, 2010](#)

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**Los Angeles County  
Board of Supervisors**

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Second District

**Zev Yaroslavsky**  
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Fourth District

**Michael D. Antonovich**  
Fifth District

**John F. Schunhoff, Ph.D.**  
Interim Director

**Robert G. Splawn, M.D.**  
Interim Chief Medical Officer

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

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February 23, 2010

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D.   
Interim Director

SUBJECT: **REVISED REIMBURSEMENT RATES FOR PHYSICIAN  
SERVICES FOR INDIGENTS PROGRAM (PSIP)**

On February 16, 2010, your Board authorized the Interim Director of Health Services (DHS) to reduce the initial reimbursement rate for PSIP to 18% of the Official County Fee Schedule (OCFS) for Fiscal Year (FY) 2009-10 and offer revised emergency physician services agreements for FY 2009-10 to eligible non-County physicians providing emergency services at non-County emergency hospitals. In addition, your Board instructed DHS to rapidly pay the backlog of frozen claims; and to report progress weekly until the backlog is gone.

In accordance with defined reimbursement procedures established and approved by your Board for the PSIP Program, physicians must complete annual enrollment and "Conditions of Participation Agreement" forms signifying acceptance of the program terms and conditions and establishing a contractual relationship between the County and the physician providing the services. These enrollment forms include the reimbursement rate, therefore, the enrollment packets are not sent out until the Board has approved a rate that will ensure funding is available for all projected claims based on a historical trending of claims.

Following Board approval of the FY 2009-10 reimbursement rate last week, the enrollment packets were updated and made available to all eligible physicians on February 17, 2010. Physicians can now submit claims for July to November 2009 dates of service. Since the program requires that providers attempt to identify other sources of payment for 90 days prior to billing the County, services provided from December 2009 to February 2010 are not yet billable to the program. The Emergency Medical Services Agency is working with the County's contracted claims adjudicator, American Insurance Administrators (AIA), to expedite the enrollment process. After the annual enrollment, submitted claims will be adjudicated and paid expeditiously. Based on historical experience, the physicians will complete the enrollment process and the first claims will be received in the next 30-60 days.

I will keep you informed about the ongoing enrollment and claims payment process. In the meantime, if you have any questions, please contact me or Carol Meyer, Chief Network Officer at (213) 240-8370.

JFS:CC  
1002:005

c: Executive Office, Board of Supervisors  
County Counsel  
Chief Executive Office  
Auditor-Controller  
Emergency Medical Services Commission  
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**Health Services**  
LOS ANGELES COUNTY

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Fifth District

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Interim Director

**Robert G. Splawn, M.D.**  
Interim Chief Medical Officer

March 2, 2010

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D.   
Interim Director

SUBJECT: **REVISED REIMBURSEMENT RATES FOR PHYSICIAN  
SERVICES FOR INDIGENTS PROGRAM (PSIP)**

On February 16, 2010, your Board authorized the Interim Director of Health Services (DHS) to reduce the initial reimbursement rate for PSIP to 18% of the Official County Fee Schedule (OCFS) for Fiscal Year (FY) 2009-10 and offer revised emergency physician services agreements for FY 2009-10 to eligible non-County physicians providing emergency services at non-County emergency hospitals. In addition, your Board instructed DHS to rapidly pay the backlog of frozen claims; and to report progress weekly until the backlog is gone.

**PSIP CLAIMS PROCESS AND CURRENT STATUS**

As reported last week, in accordance with defined reimbursement procedures established and approved by your Board for the PSIP Program, physicians must complete annual enrollment and "Conditions of Participation Agreement" forms signifying acceptance of the program terms and conditions and establishing a contractual relationship between the County and the physician providing the services. These enrollment forms include the reimbursement rate, therefore, the enrollment packets are not sent out until the Board has approved a rate that will ensure funding is available for all projected claims based on a historical trending of claims.

Following Board approval of the FY 2009-10 reimbursement rate on February 16, 2010, the enrollment packets were updated and made available to all eligible physicians on February 17, 2010. Physicians can now submit claims for July to November 2009 dates of service. Since the program requires that providers attempt to identify other sources of payment for 90 days prior to billing the County, services provided from December 2009 to February 2010 are not yet billable to the program. The Emergency Medical Services Agency is working with the County's contracted claims adjudicator, American Insurance Administrators (AIA), to expedite the enrollment process. After the annual enrollment, submitted claims will be adjudicated and paid expeditiously. Based on historical experience, the physicians will complete the enrollment process and the first claims will be received in the next 30-60 days.

**REVIEW OF THE PSIP CLAIM PROCESS**

Today, the Department met with the Auditor Controller to provide background information on the PSIP program, including but not limited to, funding sources, statutory basis, claiming process, statistical trending and rate setting processes. On March 4, this subject has been placed on the agenda of the Hospital and Healthcare Delivery Commission for review and input.

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Each Supervisor  
March 2, 2010  
Page 2

I will keep you informed about the ongoing enrollment and claims payment process. In the meantime, if you have any questions, please contact me or Carol Meyer, Chief Network Officer at (213) 240-8370.

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         Emergency Medical Services Commission  
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March 9, 2010

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D.  
Interim Director



SUBJECT: **REVISED REIMBURSEMENT RATES FOR PHYSICIAN  
SERVICES FOR INDIGENTS PROGRAM (PSIP)**

On February 16, 2010, your Board authorized the Interim Director of Health Services (DHS) to reduce the initial reimbursement rate for PSIP to 18% of the Official County Fee Schedule (OCFS) for Fiscal Year (FY) 2009-10 and offer revised emergency physician services agreements for FY 2009-10 to eligible non-County physicians providing emergency services at non-County emergency hospitals. In addition, your Board instructed DHS to rapidly pay the backlog of frozen claims; and to report progress weekly until the backlog is gone.

**PSIP ENROLLMENT AND CLAIMS PROCESSING CURRENT STATUS**

Following Board approval of the FY 2009-10 reimbursement rate on February 16, 2010, the enrollment packets were updated and made available to all eligible physicians on February 17, 2010. Physicians can now submit claims for July to November 2009 dates of service. Since the program requires that providers attempt to identify other sources of payment for 90 days prior to billing the County, services provided from December 2009 to February 2010 are not yet billable to the program. The Emergency Medical Services Agency is working with the County's contracted claims adjudicator, American Insurance Administrators (AIA), to expedite the enrollment process. After the annual enrollment, submitted claims will be adjudicated and paid expeditiously. Based on historical experience, the physicians will complete the enrollment process and the first claims will be received 30-60 days from the beginning of the enrollment period.

**REVIEW OF THE PSIP PROGRAM POLICIES**

On March 4, 2010, the Department discussed the PSIP Program funding cut, reimbursement rate reduction, and the current policies with the Hospitals and Healthcare Delivery Commission for review and input. The Commission will submit their comments and recommendations on the program to the Auditor Controller's Office.

To continue the operational review, the PSIP program has been placed on the agenda of the Emergency Medical Services Commission for the March 17, 2010 meeting.

I will keep you informed about the ongoing enrollment and claims payment process. In the meantime, if you have any questions, please contact me or Carol Meyer, Chief Network Officer at (213) 240-8370.

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March 16, 2010

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**PSIP ENROLLMENT AND CLAIMS PROCESSING CURRENT STATUS**

Following Board approval of the FY 2009-10 reimbursement rate on February 16, 2010, the enrollment packets were updated and made available to all eligible physicians on February 17, 2010. Physicians can now submit claims for dates of service beginning in July 2009. Since the program requires that providers attempt to identify other sources of payment for 90 days prior to billing the County, services provided during the last 90 days are not yet billable to the program. The Emergency Medical Services Agency is working with the County's contracted claims adjudicator, American Insurance Administrators (AIA), to expedite the enrollment process. Generally, the first claims are received 30-60 days from the beginning of the enrollment period. To date, 465 providers have enrolled and we have received 29,255 claims. The first payment of approximately \$603,766 for 11,372 claims will be processed this week.

**REVIEW OF THE PSIP PROGRAM POLICIES**

To continue the operational review, the PSIP program has been placed on the agenda of the Emergency Medical Services Commission for the March 17, 2010 meeting.

I will keep you informed about the ongoing enrollment and claims payment process. In the meantime, if you have any questions, please contact me or Carol Meyer, Chief Network Officer at (213) 240-8370.

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# Health Services

LOS ANGELES COUNTY

March 23, 2010

## Los Angeles County Board of Supervisors

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### PSIP ENROLLMENT AND CLAIMS PROCESSING CURRENT STATUS

Following Board approval of the FY 2009-10 reimbursement rate on February 16, 2010, the enrollment packets were updated and made available to all eligible physicians on February 17, 2010. Physicians can now submit claims for dates of service beginning in July 2009. Since the program requires that providers attempt to identify other sources of payment for 90 days prior to billing the County, services provided during the last 90 days are not yet billable to the program. The Emergency Medical Services Agency is working with the County's contracted claims adjudicator, American Insurance Administrators (AIA), to expedite the enrollment process. Generally, the first claims are received 30-60 days from the beginning of the enrollment period. As of March 19, 2010, 1,329 providers have enrolled and 29,778 claims have been received, with new claims coming in daily. Of these claims, 11,542 have been paid. We are currently processing the remaining claims for expeditious payment. The next payment cycle for all validated claims will be completed next week.

### REVIEW OF THE PSIP PROGRAM POLICIES

The EMS Director discussed the PSIP Program and the impact of the recent reimbursement rate reduction at the Emergency Medical Services Commission's March 17, 2010 meeting. The Commission has indicated that it will issue its comments to the Board after reviewing the draft of the first status report to be completed by the Auditor Controller's Office in May 2010.

I will keep you informed about the ongoing enrollment and claims payment process. In the meantime, if you have any questions, please contact me or Carol Meyer, Chief Network Officer at (213) 240-8370.

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March 30, 2010

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TO: Each Supervisor

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**PSIP ENROLLMENT AND CLAIMS PROCESSING CURRENT STATUS**

Following Board approval of the FY 2009-10 reimbursement rate on February 16, 2010, the enrollment packets were updated and made available to all eligible physicians on February 17, 2010. Physicians can now submit claims for dates of service beginning in July 2009. Since the program requires that providers attempt to identify other sources of payment for 90 days prior to billing the County, services provided during the last 90 days are not yet billable to the program. The Emergency Medical Services Agency is working with the County's contracted claims adjudicator, American Insurance Administrators (AIA), to expedite the enrollment process. As of March 26, 2010, 1,841 providers have enrolled and we have received 61,066 claims, with new claims coming in daily. Of these claims, 22,391 have been validated and paid; 10,340 have been rejected. The most common reasons for rejected claims are incorrect billing or ineligible patients (patients with Medi-Cal). We will continue to expeditiously process all validated claims.

**REVIEW OF THE PSIP PROGRAM POLICIES**

The EMS Agency has provided documents to the Auditor Controller's Office to assist in the program's review.

I will keep you informed about the ongoing enrollment and claims payment process. In the meantime, if you have any questions, please contact me or Carol Meyer, Chief Network Officer at (213) 240-8370.

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# Health Services

LOS ANGELES COUNTY

April 13, 2010

## Los Angeles County Board of Supervisors

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**Michael D. Antonovich**  
Fifth District

**John F. Schunhoff, Ph.D.**  
Interim Director

**Gail V. Anderson, Jr., MD**  
Interim Chief Medical Officer

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D.  
Interim Director

SUBJECT: **REVISED REIMBURSEMENT RATES FOR PHYSICIAN  
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On February 16, 2010, your Board authorized the Interim Director of Health Services (DHS) to reduce the initial reimbursement rate for PSIP to 18% of the Official County Fee Schedule (OCFS) for Fiscal Year (FY) 2009-10 and offer revised emergency physician services agreements for FY 2009-10 to eligible non-County physicians providing emergency services at non-County emergency hospitals. In addition, your Board instructed DHS to rapidly pay the backlog of frozen claims; and to report progress weekly until the backlog is gone.

### PSIP ENROLLMENT AND CLAIMS PROCESSING CURRENT STATUS

Following Board approval of the FY 2009-10 reimbursement rates on February 16, 2010, the enrollment packets were updated and made available to all eligible physicians on February 17, 2010. Physicians can now submit claims for dates of service beginning in July 2009. Since the program requires that providers attempt to identify other sources of payment for 90 days prior to billing the County, services provided during the last 90 days are not yet billable to the program. The Emergency Medical Services Agency is working with the County's contracted claims adjudicator, American Insurance Administrators (AIA), to expedite the enrollment process. As of April 9, 2010, 2,595 providers have enrolled and we have received 93,230 claims, with new claims coming in daily. Of these claims, 48,374 have been validated and paid; 19,062 have been rejected. The most common reasons for rejected claims are incorrect billing or ineligible patients (patients with potential Medi-Cal); providers may correct and resubmit these claims for processing. We will continue to expeditiously process all validated claims.

### REVIEW OF THE PSIP PROGRAM POLICIES

The Auditor Controller's Office is proceeding with the PSIP review and has interviewed or met with HSA Fiscal Services, EMS Agency Administration and AIA staff to discuss the program's current policies and procedures.

I will keep you informed about the ongoing enrollment and claims payment process. In the meantime, if you have any questions, please contact me or Carol Meyer, Chief Network Officer at (213) 240-8370.

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# Health Services

LOS ANGELES COUNTY

April 27, 2010

## Los Angeles County Board of Supervisors

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Fourth District

**Michael D. Antonovich**  
Fifth District

**John F. Schunhoff, Ph.D.**  
Interim Director

**Gail V. Anderson, Jr., MD**  
Interim Chief Medical Officer

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D.  
Interim Director

SUBJECT: **REVISED REIMBURSEMENT RATES FOR PHYSICIAN  
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### PSIP ENROLLMENT AND CLAIMS PROCESSING CURRENT STATUS

Following Board approval of the FY 2009-10 reimbursement rates on February 16, 2010, the enrollment packets were updated and made available to all eligible physicians on February 17, 2010. Physicians can now submit claims for dates of service beginning in July 2009. Since the program requires that providers attempt to identify other sources of payment for 90 days prior to billing the County, services provided during the last 90 days are not yet billable to the program. The Emergency Medical Services Agency is working with the County's contracted claims adjudicator, American Insurance Administrators (AIA), to expedite the enrollment process. As of April 23, 2010, 3,091 providers have enrolled, which represents approximately two thirds of the number of providers expected to participate in the program based on historical data. We have received 148,298 claims, with new claims coming in daily. Of these claims, 60,173 have been validated and paid; 22,345 have been rejected. The most common reasons for rejected claims are incorrect billing or ineligible patients (patients with potential Medi-Cal); providers may correct and resubmit these claims for processing. We will continue to expeditiously process all validated claims.

### REVIEW OF THE PSIP PROGRAM POLICIES

The Auditor Controller's Office is proceeding with the PSIP review and has interviewed or met with HSA Fiscal Services, EMS Agency Administration and AIA staff to discuss the program's current policies and procedures.

I will keep you informed about the ongoing enrollment and claims payment process. In the meantime, if you have any questions, please contact me or Carol Meyer, Chief Network Officer at (213) 240-8370.

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May 11, 2010

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D.  
Interim Director

SUBJECT: **REVISED REIMBURSEMENT RATES FOR PHYSICIAN  
SERVICES FOR INDIGENTS PROGRAM (PSIP)**

On February 16, 2010, your Board authorized the Interim Director of Health Services (DHS) to reduce the initial reimbursement rate for PSIP to 18% of the Official County Fee Schedule (OCFS) for Fiscal Year (FY) 2009-10 and offer revised emergency physician services agreements for FY 2009-10 to eligible non-County physicians providing emergency services at non-County emergency hospitals. In addition, your Board instructed DHS to rapidly pay the backlog of frozen claims; and to report progress weekly until the backlog is gone.

**PSIP ENROLLMENT AND CLAIMS PROCESSING CURRENT STATUS**

Following Board approval of the FY 2009-10 reimbursement rates on February 16, 2010, the enrollment packets were updated and made available to all eligible physicians on February 17, 2010. Physicians can now submit claims for dates of service beginning in July 2009. Since the program requires that providers attempt to identify other sources of payment for 90 days prior to billing the County, services provided during the last 90 days are not yet billable to the program. The Emergency Medical Services Agency is working with the County's contracted claims adjudicator, American Insurance Administrators (AIA), to expedite the enrollment process. As of May 7, 2010, 3,355 providers have enrolled, which represents more than two thirds of the number of providers expected to participate in the program based on historical data. We have received 181,512 claims, with new claims coming in daily. Of these claims, 103,883 have been validated and paid; 28,914 have been rejected. The most common reasons for rejected claims are incorrect billing or ineligible patients (patients with potential Medi-Cal); providers may correct and resubmit these claims for processing. We will continue to expeditiously process all validated claims.

**REVIEW OF THE PSIP PROGRAM POLICIES**

The Auditor Controller's Office is proceeding with the PSIP review and has interviewed or met with HSA Fiscal Services, EMS Agency Administration and AIA staff to discuss the program's current policies and procedures.

I will keep you informed about the ongoing enrollment and claims payment process. In the meantime, if you have any questions, please contact me or Carol Meyer, Chief Network Officer at (213) 240-8370.

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**Health Services**  
LOS ANGELES COUNTY

Los Angeles County  
Board of Supervisors

February 7, 2012

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Fifth District

TO: Each Supervisor

FROM:  Mitchell H. Katz, M.D.  
Director

SUBJECT: **PHYSICIAN SERVICES FOR INDIGENTS PROGRAM  
(PSIP) STATUS REPORT**

**Mitchell H. Katz, M.D.**  
Director

**Hal F. Yee, Jr., M.D., Ph.D.**  
Chief Medical Officer

**John F. Schunhoff, Ph.D.**  
Chief Deputy Director

On February 16, 2010, your Board instructed the Auditor-Controller (A-C) to conduct a policy and operational review of the Department of Health Services (DHS) Physician Services for Indigent Program (PSIP). On March 11, 2011 the A-C issued the results of its review which included several recommendations to improve the program's administration. One recommendation was that DHS submit semiannual status reports to the Board to further increase transparency. This report is in response to that recommendation and it addresses program data, major reimbursement issues and other pertinent information.

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Effective July 1, 2010, the physician reimbursement rate was reduced to 18% of the Official County Fee Schedule (OCFS). This reduction was made as a result of the State's elimination of the Emergency Medical Services Appropriation (EMSA). The 18% rate is below the average Medi-Cal reimbursement rate. Due to a projected funding shortfall, the 18% reimbursement rate could not be maintained for all Fiscal Year (FY) 2010-11 claims; therefore, the rate was reduced to 12% for all outstanding claims as of October 18, 2011.

For FY 2011-12 the reimbursement rate is set at 14%. This rate was based on revenues projected at the same level as FY 2010-11 and an estimated 8% increase in claim volume. It is possible that the number of claims will decrease due to the increased enrollment in Healthy Way LA. We will continue to monitor claim volume and collections to ensure compliance with the California Health and Safety Code Section 1797.98a, which requires DHS to allocate projected revenues to ensure some payment of all eligible claims.

*To ensure access to high-quality,  
patient-centered, cost-effective  
health care to Los Angeles County  
residents through direct services at  
DHS facilities and through  
collaboration with community and  
university partners.*



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Attached is a schedule which shows the program's enrollment and claim data for Fiscal Year (FY) 2009-10 and year-to-date FY 2010-11 and FY 2011-12.

DHS is currently working with the A-C to complete implementation of the recommendations from the March 11, 2011 A-C review and other potential program improvements as stated in the October 25, 2011 Board motion. The audit follow up report will be submitted in March 2012.

The next status report will be submitted in June 2012. In the meantime, we will keep you informed of any changes in the program. If you have any questions, please contact me or Cathy Chidester, EMS Director, at (562) 347-1604.

MHK:cc

Attachment

c:     Executive Office, Board of Supervisors  
          County Counsel  
          Chief Executive Office  
          Auditor-Controller  
          Emergency Medical Services Commission  
          Hospitals and Health Care Delivery Commission

**COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES  
PHYSICIAN SERVICES FOR INDIGENTS PROGRAM (PSIP)**

As of December 2011

| Category  | FY 2009-10 Final | FY 2010-11 YTD | FY 2011-12 YTD <sup>(1)</sup> |
|---|------------------|----------------|-------------------------------|
| Physicians enrolled                               | 4,676            | 4,955          | 4,955                         |
| Claims received                                   | 506,580          | 548,552        | 49,545                        |
| Claims returned/rejected <sup>(2)</sup>           | 55,342           | 47,401         | -                             |
| Claims denied <sup>(3)</sup>                      | 93,238           | 95,676         | -                             |
| Claims paid                                       | 358,000          | 386,536        | -                             |
| Claims to be processed                            | -                | 18,939         | 49,545                        |
| Total reimbursement                               | \$ 17,492,699    | \$ 16,548,624  | \$ -                          |
| Average reimbursement per ER claim <sup>(4)</sup> | \$ 49            | \$ 43          | \$ -                          |

<sup>(1)</sup> FY 2011-12 claims received are being In process for payment.

<sup>(2)</sup> Rejected due to incomplete data, missing documentation or physician not enrolled in the program. Some claims are re-submitted for payment.

<sup>(3)</sup> Denied due to not conforming to program requirements or incorrect CPT code/service. Some claims are re-submitted/appealed for payment.

<sup>(4)</sup> FY 2009-10 claims were reimbursed at 18% of Official County Fee Schedule (OCFS). FY 2010-11 claims were reimbursed at 18% of

OCFS up to October 2011 payments and then at 12% of OCFS thereafter. FY 2011-12 claims are reimbursed at 14% of OCFS.